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Before the House Appropriations Subcommittee on Interior, Environment, and Related Agencies

Regarding Government Accountability Office Observations on a possible move of the U.S.
Forest Service to the Department of the Interior

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INTRODUCTION

Chairman Dicks, Ranking Member Simpson, Members of the Committee, thank you for the opportunity to participate in today's oversight hearing on the U.S. Forest Service. On behalf of the National Association of State Foresters (NASF), I thank the Committee for the opportunity to respond to the Government Accountability Office's (GAO's) recent study regarding a possible move of the Forest Service from the Department of Agriculture (USDA) to the Department of the Interior (DOI). NASF represents the directors of the state forestry agencies of all fifty states, eight U.S. territories and associated states, and the District of Columbia. State forestry agencies manage and protect state and private forests across the U.S., which encompass two-thirds of the nation's forests. My comments today are supported by a close working relationship between State Foresters and USDA that dates back nearly a century.

OVERVIEW

The nation's forests are a strategic national resource that provides a host of important benefits to the American people: clean air and water, fish and wildlife habitat, recreational opportunities, carbon sequestration and storage, renewable energy, and forest products. The thousands of wood and paper products that Americans use every day are produced from the world's greatest renewable resource, and our nation's forests support the jobs that produce these products.

The United States has the fourth largest forest estate of any nation, with eight percent of the world's forests. This represents approximately 750 million acres of forestland – about one-third of the nation's total land area. Unlike other countries, 57 percent of U.S. forestland is owned by private interests; 43 percent is "public" land under the control of federal, state and local agencies. The Forest Service serves all of these lands through a comprehensive portfolio of program areas that include the National Forest System, State & Private Forestry (S&PF), Forest Service Research, and International Forestry.

MOST IMPORTANT: SERVING 100% OF THE NATION'S FORESTS

The mission of the Forest Service is to "sustain the health, diversity, and productivity of the *Nation's* forests and grasslands to meet the needs of present and future generations." NASF neither advocates nor opposes moving the Forest Service to the Department of the Interior. The real issue is enhancing the ability of the Forest Service to serve 100 percent of the nation's forests including, but not limited to, the 26 percent that are National Forest System lands.

Forests are a strategic national resource justifying strong, comprehensive federal support to coordinate and enhance state and local efforts. NASF supports the concept of a lead federal

agency responsible and accountable for providing a full suite of resources to benefit all of the nation's forests. This can best be accomplished when a single federal agency is acknowledged as "the nation's forestry agency." It is not important to NASF where the Forest Service is placed on the federal government organization chart. What is important is maintaining a comprehensive portfolio of program areas that serve 100 percent of the nation's forests, not just the 26 percent that comprise the National Forest System.

THE U.S. FOREST SERVICE SHOULD REMAIN INTACT AS AN AGENCY

Any proposed change should focus on improving the Forest Service ability to serve all of the nation's forests. This includes state and private forestry, fire suppression, research, and federal land management responsibilities as well as the ability to coordinate with other federal and state land management agencies on sustaining the nation's forests. Regardless of departmental jurisdiction, NASF believes the ability of the Forest Service to effectively fulfill its mission requires that its current organizational structure remain intact and not be divided among disparate federal departments or agencies.

State and Private Forestry

The GAO report detailed considerations involving potential impacts to State and Private Forestry programs. Federal investment in these programs leverages the capacity of state forestry agencies and their partners to manage state forests and ensure that private forest landowners have the best technical, educational, and financial assistance available to meet their ownership objectives—responsibilities not typically shared by the Department of the Interior.

Reorganization should recognize the long-standing relationship between the Forest Service and State Foresters and not focus on federal lands alone. One way to accomplish this is to reverse trends that have reduced S&PF appropriations by nearly 40% from FY01 to FY08. Reinvestment in these programs will better prepare the nation's nearly 500 million acres of state and private forests to meet growing demands, including emerging priorities such as carbon sequestration and renewable energy.

Fire Suppression

Both the Forest Service and the Department of the Interior fund fire suppression within their budgets based on a 10-year average of costs. For the Forest Service, this agency policy is problematic. In recent years, catastrophic fires have resulted in dramatically increased suppression costs, which now represent more than half of the Forest Service budget. The Forest Service has been forced to borrow funds from other programs—including those that reduce wildland fire risk—to help cover the costs of fire suppression.

Reorganization discussions need to address the overwhelming influence fire suppression costs have on achieving other land management goals. NASF continues to advocate for a solution that establishes a separate 'fund' for emergency wildfire suppression and ensures that funding for the partitioned account will not be 'scored' against the agencies' constrained budgets. Non-emergency fire suppression funding will continue to be a necessary part of the Forest Service and DOI budgets, no matter where the agencies are located on the organization chart. A separate fund for emergency fires will bring a measure of fiscal normalcy to fire suppression funding.

NASF applauds efforts to coordinate and integrate wildland fire efforts between federal, state and local agencies. The National Interagency Fire Center and the Wildland Fire Leadership Council are good examples. These positive results indicate that an independent wildland fire management agency separate from the agencies' current wildland fire operations is unnecessary.

Research

The Forest Service Forest Inventory and Analysis (FIA) program is the nation's only comprehensive forest inventory system that provides credible forest inventory data across all ownerships. As such, it has been a critical tool for assessing the health and sustainability of the nation's forests. FIA will serve a valuable role in determining how our forest resources can contribute to national climate change and renewable fuels and energy goals. FIA has fallen short of its full funding target over the last several years impacting the ability of the Forest Service to report forest inventory data for each state on a five-year cycle (as required by the 1998 Farm Bill). A renewed commitment from any reorganization effort is necessary to ensure the program meets the needs of its stakeholders, both within and beyond the agency.

Management of the National Forest System

A number of management challenges threaten the long-term sustainability of the National Forest System. The Forest Service has indicated that litigation often limits the ability of its professional employees to efficiently and effectively manage the national forests.¹ Insufficient funding presents maintenance and decommissioning backlogs on NFS transportation networks that are no longer needed for land management and—in some cases—could impair water quality.²

At the same time, a persistent lack of funding to complete harvest treatments has exposed millions of NFS acres to uncharacteristically large, unnatural wildfires and increased risk of disease and insect outbreaks.² These forest health issues pose risks to nearby state and private land ownerships, which often do not have the necessary financial resources available to proactively respond. Simply moving the Forest Service into DOI will not address the forest health issues threatening the NFS unless accompanied by a review and merger of legal authorities.³

CONSIDER OTHER ORGANIZATIONAL CHANGES – NOT JUST A “MOVE”

Moving the Forest Service from the Department of Agriculture to the Department of the Interior could only be accomplished with tremendous taxpayer expense. It would take years to fully realize possible advantages. Despite these challenges, NASF could support such a move if clear long-term benefits for the nation's forests could be demonstrated. While there are many tradeoffs associated with such a move, NASF is not convinced that the cost and disruption to personnel and programs can be justified or will result in definitive positive change.

¹ USDA Forest Service. 2002. *The process predicament: How statutory, regulatory, and administrative factors affect national forest management.*

² Sample, V.A., W. Price, J.S. Donnay and C.M. Mater. NFS Certification Study: An evaluation of the applicability of Forest Stewardship Council and Sustainable Forestry Initiative Standards on Five National Forests. Last accessed online on February 16, 2009 at: <http://www.pinshot.org/>

³ Congressional Research Service, *Proposals to Merge the Forest Service and the Bureau of Land Management: Issues and Approaches.* (Washington, DC: May 2008), 30 pp.

Improved interagency coordination

Other organizational changes could be considered to enhance the ability of the Forest Service to serve 100 percent of the nation's forests. One opportunity is to enhance coordination with other federal and state agencies. A recent positive example is an interagency Joint Forestry Team that produced a Memorandum of Understanding (MOU) between NASF, the Forest Service, the Natural Resources Conservation Service (NRCS), and the National Association of Conservation Districts (NACD). The MOU represents an interagency commitment to strengthen cooperation for delivering forestry assistance to private landowners. This concept could be built upon with USDA, DOI, and NASF to recognize forests as a strategic national resource requiring coordinated federal and state agency efforts. Coordinated land swaps between USDA and DOI agencies to consolidate management of federally owned lands are also worth exploring.

Place more emphasis on S&PF

The unique culture of the Forest Service must also be considered in any reorganization proposal. From the field level to senior leadership, Forest Service personnel are career natural resource professionals. This is a good model for a federal agency serving as the "nation's forestry agency" because federal forest policies should be developed and implemented based on sound science and economics. However, NASF is concerned that the internal culture of the Forest Service is dominated by the National Forest System (NFS) and the direct custodial responsibilities the agency has for 26 percent of the nation's forests. Moving the agency to DOI will not change an internal culture focused on federal lands and custodial management.

However, there may be merit in exploring opportunities within the organization to more visibly support and reward agency commitments to state and private forestry efforts. Forest Service State & Private Forestry and Research responsibilities benefit the 74 percent of the nation's forests that are not part of the NFS. These lands face greater development threats and shoulder a greater responsibility in producing forest products. NASF is committed to working with Congress and the Forest Service to achieve budgets and policies that support agency responsibilities to all of the nation's forests. One example is NASF leadership in developing recommendations to fix fire suppression funding and borrowing challenges.

CONCLUSION

Whether housed in USDA, Interior or another federal department, NASF believes the Forest Service's current organizational structure should remain intact and not be divided among disparate departments or agencies. Focus should be less on reorganization and more on improving the Forest Service's existing programs and authorities that serve all forests. What is important is maintaining and funding a comprehensive portfolio of program areas in a manner consistent with the amount of forest land held in state and private ownership.

NASF greatly appreciates this subcommittee's past commitment to investing in the Forest Service's State and Private Forestry programs. I thank the Chairman, Ranking member, and members of the Committee for the opportunity to appear before you today to provide NASF's perspectives on a possible move of the Forest Service into the Department of the Interior.